

CARTER LEDYARD & MILBURN LLP
Counselors at Law

Robert J.A. Zito
Partner

Direct Dial: 212-238-8768
E-mail: zito@clm.com

2 Wall Street
New York, NY 10005-2072

Tel (212) 732-3200
Fax (212) 732-3232

570 Lexington Avenue
New York, NY 10022-6856
(212) 371-2720

December 18, 2015

VIA ECF AND HAND DELIVERY

The Honorable William H. Pauley III
United States Courthouse
500 Pearl Street, Room 2210
New York, NY 10007

Re: SEC v. Caledonian Bank Ltd., et al
15 Civ. 894 (WHP)

Dear Judge Pauley:

We represent Verdmont Capital, S.A. ("Verdmont"), the last named defendant in the above referenced case that was brought by the Securities and Exchange Commission (the "SEC"). We write in response to the unsolicited letter submitted by the SEC to the Court, dated December 17, 2015, that informs the Court of a certain regulatory matter in British Columbia, Canada.

The Canadian regulatory matter alleges that Verdmont represented customers residing in British Columbia without being registered in British Columbia. It is difficult to understand the SEC's motive in sending this inapt letter, except to attempt to cast Verdmont in a bad light with the hope of prejudicing the Court.

We respectfully submit that the contents of the SEC's unsolicited letter are irrelevant as they bear on nothing that is currently before the Court. Accordingly, the SEC's letter is improper and inappropriate.

Respectfully submitted,

/s/ Robert J.A. Zito

Robert J.A. Zito

RJAZ:tym

cc: All Counsel via email and ECF